U.S Small Business Administration

SBA NEWS RELEASE

PRESS OFFICE

SBA's ALVAREZ SAYS SMALL BUSINESSES MUST DEAL WITH 'Y2K BUG' NOW

Nearly 250 SBA events during 'Y2K Action Week'

WASHINGTON – U.S. Small Business Administration (SBA) Administrator Aida Alvarez joined other senior federal officials today in calling on small business owners to take seriously the threat posed by the computer problem linked to the Year 2000, the so-called Y2K bug. The Administrator said that her agency will use "National Y2K Action Week," which runs Oct. 19 to 23, to host almost 250 seminars and workshops around the country to help firms counter the Y2K threat.

"Earlier this year, the SBA began a nationwide campaign with a simple, yet critical question: Are You Y2K OK?" said Administrator Alvarez. **"That slogan is a call to action. Small business owners especially should take note. The loss of even a few days' income due to Y2K problems can be crucial to a small business. The SBA wants to do everything possible to minimize the Y2K risk."**

Administrator Alvarez joined U.S. Department of Commerce Secretary William Daley and John Koskinen, chair of the President's Council on Year 2000 Conversion, at a press conference in Washington, D.C. to preview Y2K Action Week events.

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In addition to SBA's activities, the U.S. Postal Service plans to use a special cancellation mark during the week featuring the 'Are You Y2K OK?' slogan. Also, a National Y2K Action Week poster will be hung in each post office displaying the phone number of the SBA's toll-free Answer Desk so the public can call for referrals to local events.

Administrator Alvarez said nearly all SBA district offices around the country will sponsor educational events during Y2K Action Week. In addition, the agency has called upon its vast network of resource partners to hold similar seminars and workshops. This network includes:

- 950 Small Business Development Centers

- 398 Service Corps of Retired Executive (SCORE) Chapters

- 52 Business Information Centers

- 69 Women's Business Centers

- 17 Tribal Business Information Centers

- 15 One-Stop Capital Shops

The SBA plans to hold more than 450 Y2K educational events before the end of the month. A complete listing is available at Error! Bookmark not defined.

One consulting firm, the Gartner Group, told Congress earlier this month that in the United States perhaps 15 percent of all firms will experience a mission critical system failure as a result of the Y2K bug, and that 10 percent of these failures will last three days or longer. They estimate the cost to recover from each failure could range from $20,000 to $3.5 million depending on the complexity. While Y2K conditions for many smaller firms have improved in recent years, said the Gartner Group, there are still "serious risks" for the U.S. and throughout the world.

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To deal with Y2K, SBA officials urge small business owners to take three immediate steps:

- **Determine your business' Y2K risk with affected hardware, software or embedded data chips.** *A self-assessment test is available on the SBA's Internet Y2K web page. (www.sba.gov/y2k/)*

- **If you are vulnerable, take action now. Don't wait. Fix your problem and test the results. Develop contingency plans to deal with the effects of Y2K problems outside your control.**

- **Stay informed. Accurate information may change as solutions evolve.**

To keep the public informed, the SBA has instituted three procedures to obtain current Y2K information. These include a Y2K Internet home page at *www.sba.gov/y2k/* and SBA's toll-free Answer Desk at **1-800-U-ASK-SBA** (1-800-827-5722). Answer Desk staff will route callers to the best sources of Y2K information. The third option is the agency's newly created fax-back system.

To use the fax-back system:

1. **Call this toll-free number: 1-877-RU-Y2K-OK (1-877-789-2565).**

2. **Make your selection from a menu.**

3. **Within minutes, you'll receive a fax targeted to your specific Y2K needs.**

SBA's Y2K Fax-Back can be used on touch-tone or rotary dial telephones and is available 24-hours-a-day.

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